

**Minutes
Operating Board of Directors
DeKalb County Rehab & Nursing Center
July 14, 2010**

Present: Directors Klein, Casella, Andersen
Absent Directors: Wilson
Also Present: Gima, C. Anderson, R. Bockman

Chair Casella called the meeting to order at 7:05 am.

The agenda was approved as submitted.

The approval of the May minutes was postponed until September.

Old Business: None

New Business

Management Report:

Gima reviewed the monthly statistical trends since January. The average daily census (ADC) remained steady at 178.7 in May 179.7 in June. Since January the overall census has been stable. Medicaid has shown a declining trend from 108.1 in January to 100.6 in June. Private pay has increased from 47.4 in January to 53.3 in June. Private pay also includes some Medicaid pending residents. Private pay has increased from 47.4 in January to 53.3 in June. Medicare has been fluctuating starting at 23.3 in January to a high of 29.1 in March and down to 25.8 in June. The payor mix reflects the declining Medicaid census and a slight increase in Private pay since the beginning of the year.

May 2010 YTD revenues were compared to 2009 YTD. Total revenues are up by 6% from 2009. Medicare Part A has increased by 40 percent. Medicare part B shows a 10% increase from 2009. Medicaid remains flat with a 1% increase. Private pay is down by 7% compared to last year. Other revenue is down by 26%.

The Medicare per diem for May was \$502, due to the strength of rehab.

Total expenses show a slight declining trend. Wages and benefits are stable with a slight declining trend since January due to a normal decrease in benefits seen in the spring months. Benefit time will increase in the summer financials with an increase in vacations.

Total costs per day have decreased from \$205 per day in January to \$196 per day in May.

April showed a net loss of -\$24,000 but DCRNC rebounded to a positive \$65,000 in May. Year-to-date net income is a positive \$67,467.

The cash position is \$3.9 million in May, down slightly from \$3.9 million in March.

The Board was updated on wage reopener negotiations.

Gima reviewed the outlook for Medicare and Medicaid. Medicaid rates will be frozen in 2011. There is a high likelihood for no increase in Medicare rates.

Gima discussed the CareWatch users group that was held in Peoria on June 29th.

Gima provided an overview of the impact of the Federal Healthcare Reform Law on nursing homes.

The Board was updated on status of annual survey and complaint survey.

Next Meeting: September 15, 2010

Meeting adjourned at 8:15 AM.

Respectfully submitted.

Scott Gima
Recording Secretary